

FACT SHEET | MinnesotaCare Buy-In

Better Health Care Choices – Lower Prices – No Ongoing Cost to Taxpayers

In 1992, Republican Governor Arne Carlson and a bipartisan coalition of legislators created MinnesotaCare – a health insurance plan that some eligible Minnesotans could choose to purchase for themselves and their families. Today, over 100,000 eligible Minnesotans have chosen MinnesotaCare for the high-quality health coverage they need, at prices they can better afford. Twenty-five years later, Governor Mark Dayton is seeking to build on the bipartisan successes of MinnesotaCare. To lower prices for an estimated 100,000 more Minnesotans, Governor Dayton wants to give everyone who buys their insurance on the individual health insurance market the choice to buy-into MinnesotaCare. Minnesotans who choose “MinnesotaCare Buy-In” would pay their own way – meaning the cost of their premiums would pay for their coverage, without any additional ongoing costs to Minnesota taxpayers. While the Minnesota Legislature did not approve the MinnesotaCare Buy-In during the 2017 Legislative Session, they will have the opportunity to again consider the Governor’s proposal in 2018.

Five Things You Need to Know About “MinnesotaCare Buy-In”

1	MinnesotaCare Works	A Bipartisan Solution that Has Worked for 25 Years – Since 1992, MinnesotaCare has offered high-quality, lower-cost health coverage for over 100,000 Minnesotans. Governor Dayton’s proposal would continue MinnesotaCare’s bipartisan success – giving all Minnesotans who purchase their insurance on the individual market the choice to buy-into MinnesotaCare, and pay their own way for their coverage.
2	Enrollees Pay Their Own Way	This is Not Free Health Care – MinnesotaCare is not free. It is a health insurance policy just like those offered by commercial health plans. The premiums paid by “MinnesotaCare Buy-In” enrollees would pay for the cost of their policies, just like any other. This plan would require no additional ongoing costs for Minnesota taxpayers.
3	Still Eligible for Tax Credits	Saving Thousands of Dollars Each Year with Lower-Cost Coverage, Federal Tax Credits – MinnesotaCare Buy-In would cost, on average, an estimated \$469 per person per month in 2018, if the Legislature had passed this proposal. That is 13 percent less than the average \$538 per month for commercial health plans in 2017. On top of those savings, Minnesotans who purchase MinnesotaCare Buy-In would still be eligible for federal tax credits through MNsure. This year, 64 percent of MNsure enrollees received tax credits, averaging about \$621 per month, or \$7,457 per year.
4	Better Access to Care	MinnesotaCare Provides Better Access to More Doctors – Limited health insurance options in Greater Minnesota make it difficult for some Minnesotans to choose and keep their own doctors. But the broad network of physicians and care providers available through MinnesotaCare would offer more families, all across Minnesota, a real option to choose and keep their own doctors.
5	Sustainable and Competitive	A Sustainable Option with No Ongoing Costs to Taxpayers – After a one-time startup cost (\$12 million), MinnesotaCare Buy-In would be funded entirely by the premiums of those who buy MinnesotaCare coverage. This plan would require no additional ongoing costs for Minnesota taxpayers. And with less than 3 percent overhead,

MinnesotaCare has already proven it is more efficient, competitive, and accountable than many commercial health plans.

Saving Minnesotans Money

More than 250,000 Minnesotans have gained access to health insurance since 2014, who did not have it before. Now, our uninsured rate is the second-lowest in the nation, with 96 percent of Minnesotans covered. But steep premium increases and high deductibles have placed a big financial burden on too many Minnesotans. Governor Dayton's "MinnesotaCare Buy-In" plan would offer Minnesotans better health care choices and lower prices – at no ongoing cost to taxpayers.

- **Anyone Could Buy-In** – Right now, only a small amount of Minnesotans are eligible to buy-into MinnesotaCare. Under Governor Dayton's plan, anyone who earns more than 200 percent of the federal poverty level (i.e. a family of four earning over \$49,200 per year) could choose "MinnesotaCare Buy-In."
- **Quality Health Coverage for \$469 Per Month** – Minnesotans who purchase MinnesotaCare would get high-quality health coverage for an estimated \$469 per month, on average. That is 12 percent (\$69 per month) less than the average statewide premium of \$538 for commercial health plans in 2017. Under the Governor's proposal, families would save an estimated \$838 per person, per year on their premiums.
- **Saving Money for Minnesotans by the End of This Year** – If the Legislature enacts this proposal by March 1st, 2018, Minnesotans could purchase "MinnesotaCare Buy-In" coverage by the 2019 open enrollment period.
- **A Closer Look at What Minnesotans Could Save** – The following scenarios demonstrate what Minnesotans could save by purchasing "MinnesotaCare Buy-In" coverage.

Minnesota Family Examples	2017 Monthly Premium*	2018 Monthly Premium* with MinnesotaCare Buy-In	Monthly Savings	Annual Savings
Family of four (two 50-year-old parents and two kids) in Owatonna	\$2,481	\$1,996	\$485	\$5,820
Family of four (two 50-year-old parents and two kids) in Park Rapids	\$1,706	\$1,406	\$300	\$3,600
Family of four (two 50-year-old parents and two kids) in the Metro Area	\$1,611	\$1,339	\$272	\$3,264
55-year-old in Owatonna	\$1,034	\$832	\$202	\$2,424
55-year-old in Park Rapids	\$711	\$586	\$125	\$1,500
55-year-old in the Metro Area	\$671	\$558	\$113	\$1,356
40-year-old in Owatonna	\$592	\$477	\$115	\$1,380
40-year-old in Park Rapids	\$407	\$336	\$71	\$852
40-year-old in the Metro Area	\$385	\$320	\$65	\$780

**These premiums are estimates based on the average-priced silver-level plan available in each county, and do not account for federal tax credits.*